

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## **SECTION 1. SHORT TITLE.**

This Act may be cited as the 'Homeland Infrastructure Power Security and Assurance Incentives Act of 2005'.

## **SEC. 3. FINDINGS.**

Congress finds that--

(1) In order to fortify and protect critical infrastructure systems and facilities like military installations, banks, utilities, and information technology systems from potential terrorist threats and to provide efficient and assured power to such facilities advanced technologies must be encouraged and installed by U.S. electricity providers.

(2) Dependence on foreign oil is a matter of national security and the nation must consider all energy resource options, including support for energy efficiency and renewable resources and technologies that will ensure a diverse energy portfolio.

(3) Estimates are that power outages, brownouts, and other voltage disturbances cost U.S. industry up to \$150 billion per year and cause great disruption to the Nation's economy.

(4) Distributed Power systems, such as fuel cells, turbines and hybrid combinations of these technologies, backed up with storage systems, can reduce costly outages, and ensure more assured and secure and reliable power generation and distribution, protected from potential terrorist threats to our national infrastructure.

## **SEC. 4. ADVANCED POWER SYSTEM TECHNOLOGY INCENTIVE PROGRAM.**

(a) Program- The Secretary of Energy is authorized to establish an Advanced Power System Technology Incentive Program to support the deployment of certain advanced power system technologies and to improve and protect certain critical governmental,

industrial, and commercial processes. Funds provided under this section shall be used by the Secretary to make incentive payments to eligible owners or operators of advanced power system technologies to increase power generation through enhanced operational, economic, and environmental performance. Payments under this section may only be made upon receipt by the Secretary of an incentive payment application establishing an applicant as either--

(1) a qualifying advanced power system  
technology facility; or

(2) a qualifying security and assured power  
facility.

(b) Incentives- Subject to availability of funds, a payment of 1.8 cents per kilowatt-hour shall be paid to the owner or operator of a qualifying advanced power system technology facility under this section for electricity generated at such facility. An additional 0.7 cents per kilowatt-hour shall be paid to the owner or operator of a qualifying security and assured power facility for electricity generated at such facility. Any facility qualifying under this section shall be eligible for an incentive payment for up to, but not more than, the first 10,000,000 kilowatt-hours produced in any fiscal year.

(c) Eligibility- For purposes of this section--

(1) the term `qualifying  
advanced power system technology facility' means a facility using an advanced fuel cell,  
turbine, or hybrid power system or power storage system to generate or store electric energy;  
and

(2) the term `qualifying  
security and assured power facility' means a qualifying advanced power system technology  
facility determined by the Secretary of Energy, in consultation with the Secretary of Homeland  
Security, to be in critical need of secure, reliable, rapidly available, high-quality power for critical  
governmental, industrial, or commercial applications.

(d) Authorization- There are authorized to be appropriated  
to the Secretary of Energy for the purposes of this section, \$10,000,000 for each of the fiscal  
years 2006 through 2012.



